

Request for City Council Action

Date: February 4, 2002

To: Council Member Lisa Goodman, Community Development Committee
Commissioner Lisa Goodman, MCDA Operating Committee

Prepared by Nancy Pray, Project Coordinator, Phone 612-673-5228

Approved by Chuck Lutz, Interim Executive Director _____

**Subject: Lot Division & Land Sale – Public Hearing
Waite Park Neighborhood**

<u>Parcel</u>	<u>Address</u>
WP-1 A & B	3548 Polk Street NE
Purchaser: WP-1A Ruth Ann Drolsum 3554 Polk Street NE Minneapolis, MN 55418	WP-1B KJMS, Inc. 8892 Wentworth Avenue South Bloomington, MN 55420
Sales Price: \$250.00	\$250.00

Previous Directives: This property was acquired by the MCDA on May 22, 1998.

Neighborhood Group Notification: On October 17, 2001, the Waite Park Community Council was notified of this proposal.

Consistency with *Building a City That Works*: These sideyard sales are consistent with *Building a City That Works*, Goal 2 which ensures that an array of housing choices exists to meet the needs of our current residents and attracts new residents to the city.

Comprehensive Plan Compliance: This sideyard usage is consistent with the Comprehensive Plan as shown on the Land Use Map and in conformance with the Waite Park Neighborhood relating to this community.

Zoning Code Compliance: It complies, zoned R1.

Impact on MCDA Budget: The sale of this parcel will eliminate additional and future property management expenditures.

Living Wage / Business Subsidy: Not applicable.

Job Linkage: Not applicable.

Affirmative Action Compliance: A formal review and approval of a written affirmative action plan is not required for sideyard sales.

RECOMMENDATION:

City Council Recommendation: The Interim Executive Director recommends that the City Council adopt the attached Resolution for the proposed lot division that approves the lot division and waives the requirement for a subdivision plat.

MCDA Board Recommendation: The Interim Executive Director recommends the sale of Parcel WP-1A to Ruth Ann Drolsum and Parcel WP-1B to KJMS, Inc. This land sale is contingent upon the proposed lot division of 3548 Polk Street NE being approved by the City Council.

Proposed Development:

The subject parcel is 55' x 125' = 6,875 total square feet. The North 27.5 feet (Parcel 1A) will be combined as sideyard to a single family dwelling located at 3554 Polk Street NE that is owner-occupied by Ruth Ann Drolsum. Her lot is currently 55' x 125' = 6,875 square feet. This will create a new lot of 82.5' x 125' = 10,312.50 square feet.

MCDA proposes to combine the South 27.5 feet (Parcel 1B) as sideyard to a single family dwelling located at 3542 Polk Street NE. KJMS, Inc. currently owns this property and is rehabbing it. The lot dimension of their property is 55' x 125' = 6,875 square feet. This will create a new lot of 82.5' x 125' = 10,312.50 square feet.

Land Disposition Policy:

This parcel is not a buildable lot as defined by MCDA policy and can be sold as a sideyard.

Offering Procedure:

Negotiated. The sales price reflects the appraised reuse value of this parcel.

Comments:

A subsurface exploration was completed on April 20, 2000. The testing uncovered swamp deposits to a depth of 76'. The construction of a residence would require a deep pile foundation. A deep foundation system (piles, grade beams, and structural slabs) would be at a significant cost. The MCDA recommends that the most appropriate reuse of the lot would be for sideyard.

Ruth Ann Drolsum proposes to seed/sod Parcel 1A for use as sideyard. KJMS, Inc. proposes to seed/sod parcel 1B for use as a sideyard.

City Council recommendation:

The Interim Executive Director recommends that the City Council adopt the attached Resolution for the proposed lot division that approves the lot division and waives the requirement for a subdivision plat.

MCDA Board Recommendation:

The Interim Executive Director recommends the sale of Parcel WP-1A to Ruth Ann Drolsum and Parcel WP-1B to KJMS, Inc. This land sale is contingent upon the proposed lot division of 3548 Polk Street NE being approved by the City Council.

Approving the subdivision of a lot at 3548 Polk Street NE.

WHEREAS, the Minneapolis Community Development Agency (MCDA) has requested that a parcel of land located at 3548 Polk Street NE and legally described as:

Lot 6, except the North 5 feet thereof; and Lot 7, except the South 20 feet thereof; Block 11, Hilo Park.

be subdivided as follows:

WP-1A

Lot 6, except the North 5 feet and the South 7.5 feet thereof, Block 11, Hilo Park.

WP-1B

The South 7.5 feet of Lot 6, and Lot 7, except the South 20 feet thereof; Block 11, Hilo Park.

WHEREAS, the MCDA intends to convey the subdivided parcels listed above to the owners of the adjacent properties with the following parcels:

3554 Polk Street NE (WP-1A)

Lot 5 and the South 10 feet of Lot 4 and the North 5 feet of Lot 6, Block 11, Hilo Park.

3542 Polk Street NE (WP-1B)

The South 20 feet of Lot 7 and the North 35 feet of Lot 8, Block 11, Hilo Park.

WHEREAS, the proposed subdivision conforms with Minnesota Statutes Section 462.358 and Land Subdivision Regulations adopted by the Minneapolis City Council on July 14, 1995; and

WHEREAS, pursuant to due notice thereof published in Finance and Commerce on January 25, 2002, a public hearing on said subdivision and proposed sale was duly held in a joint meeting of the Community Development Committee of the City Council and the Operating Committee of the MCDA at 1:30 p.m., February 4, 2002, in Room 317, Minneapolis City Hall, 350 South 5th Street, in the City of Minneapolis, County of Hennepin, State of Minnesota;

NOW, THEREFORE, BE IT RESOLVED, by The City Council of The City of Minneapolis:

That the division of the above described property be approved and the requirement of a subdivision plat be waived.

BE IT FURTHER RESOLVED, that a certified copy of this resolution shall be attached to the deeds conveying the subdivided parcels.

**Authorizing Sale of Land
Waite Park Neighborhood
Disposition Parcel Nos. WP-1A & B**

WHEREAS, the Minneapolis Community Development Agency, hereinafter known as the Agency, has received an offer to purchase and develop Disposition Parcels WP-1A & B, in the Waite Park neighborhood, from Ruth Ann Drolsum (WP-1A) and KJMS, Inc. (WP-1B), hereinafter known as the Redevelopers, the Parcels WP-1A & B, being the following described land situated in the City of Minneapolis, County of Hennepin, State of Minnesota to wit:

Legal Description

WP-1A: Lot 6, except the North 5 feet and the South 7.5 feet thereof; Block 11, Hilo Park.

WP-1B: The South 7.5 feet of Lot 6, and Lot 7, except the South 20 feet thereof; Block 11, Hilo Park.

WHEREAS, the Redevelopers have offered to pay \$250.00 for each parcel, for Parcels WP-1A & B, to the Agency for the land, and the Redevelopers' proposals are in accordance with the applicable Redevelopment Plan and/or Program; and

WHEREAS, the Redevelopers have submitted to the Agency a statement of financial responsibility and qualifications; and

WHEREAS, notwithstanding the lack of a re-use appraisal, the Agency has determined the offer of \$250.00 to purchase each Parcel to be reasonable; and

WHEREAS, the Agency has had the re-use value reviewed by an appraisal expert, stating that the re-use value opinion is consistent with the accepted methods in aiding the Agency in determining a re-use value for the Parcels; and

WHEREAS, the Agency Disposition Policy provided in Section III-I (3) for the sale of land for sideyard and other non-buildable development for a price of \$250.00 each parcel, that unbuildable property may be sold for development such as the proposed landscaping at a price necessary to achieve the particular development; and

WHEREAS, pursuant to due notice thereof published in *Finance and Commerce* on January 25, 2002, a public hearing on said proposal and proposed sale and the provisions thereof, was duly held on February 4, 2002, at the Minneapolis City Hall, 350 South 5th Street, Room 317, at 1:30 p.m., in the City of Minneapolis, County of Hennepin, State of Minnesota; and

NOW, THEREFORE, BE IT RESOLVED, that the re-use value, for uses in accordance with the Waite Park Neighborhood, as amended, is hereby estimated to be the sum of \$250.00 each parcel, for Parcels WP-1A & B; and

BE IT FURTHER RESOLVED, that the acceptance of the offer and proposal is hereby determined to be in accordance with the Agency's approved disposition program and it is further determined that the Redevelopers possess the qualifications and financial resources necessary to acquire and develop the Parcels in accordance with the Redevelopment Plan and/or Program; and

BE IT FURTHER RESOLVED, that the proposals be and the same is hereby accepted, subject to the execution of a contract for the sale of land. Furthermore, that the Interim Executive Director or other appropriate official of the Agency be and the same is hereby authorized to execute and deliver the contract to the Redevelopers; provided, however, that this Resolution does not constitute such a contract and no such contract shall be created until executed by the Interim Executive Director or other appropriate official of the Agency; and

BE IT ALSO FURTHER RESOLVED, that the Chairman and Secretary, or any other two Commissioners of the Agency, are hereby authorized to execute and deliver a conveyance of the land to the Redeveloper in accordance with the provisions of the executed contract and upon payment to the Agency for the purchase price thereof;

provided, however, that this Resolution does not constitute such a conveyance and no such conveyance shall be created until executed by the Chairman and Secretary, or any other two Commissioners of the Agency.